JOHN W. FLITTER
DIRECTOR
ELECTRIC & GAS REGULATION

January 4, 2012

## **VIA ELECTRONIC FILING**

Jocelyn G. Boyd, Esquire Chief Clerk & Administrator Public Service Commission of South Carolina 101 Executive Center Drive Columbia, South Carolina 29210

Re: Application of Carolina Power & Light Company d/b/a Progress Energy Carolinas, Incorporated for Approval of Experimental Tariffs Covering its Initial Slate of Demand-Side Management and Energy Efficiency ("DSM and EE") Programs - Request for Termination of Residential Service - Home Advantage Program Experimental Tariff

Docket No. 2009-190-E

Dear Ms. Boyd:

The South Carolina Office of Regulatory Staff ("ORS") has reviewed the filing in the above-referenced docket and has no objection to the Application of Progress Energy Carolinas, Incorporated ("Company") for approval to terminate the Residential Service – Home Advantage Program Experimental Tariff, RHAP-2 ("RHAP").

RHAP was approved in Order No. 2009-373 dated June 26, 2009 and is available to builders of new residential housing or a manufacturer and sales lot owner of new manufactured housing which will be served under any of the Company's residential schedules. The dwelling must achieve an ENERGY STAR® certification which must include a high efficiency air conditioner or heat pump with a minimum of 14 SEER. RHAP provides incentives for a selection of certain energy conservation measures upon receipt of supporting documentation and a copy of the ENERGY STAR® certificate.

The Company requests approval to terminate the RHAP program on March 1, 2012 due to changes in the federal ENERGY STAR® program that will cause RHAP to no longer be cost effective. The Company would continue to provide rebates for qualified homes that receive building permits before March 1, 2012 provided the application and all supporting documentation for the incentive are provided within six months of the dwelling's completion and

no later than February 28, 2013. The Company states in its Application that it is reviewing other energy efficiency program options for new construction dwellings.

ORS has verified that revised ENERGY STAR® program standards are scheduled to take effect January 1, 2012, and has no objection to the Company's request.

Thank you for the opportunity to provide comments in this matter.

Sincerely,

ohn W. Flitter

JWF/swh

cc: Dan F. Arnett, Chief of Staff, SC ORS

Nanette S. Edwards, Chief Counsel and Director of Legal Services, SC ORS Shannon Bowyer Hudson, Esquire, SC ORS

Len S. Anthony, General Counsel – Regulatory Affairs, Progress Energy Carolinas